

#### Connecticut Education Association

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Affiliated with the National Education Association

# Ray Rossomando

## **Connecticut Education Association**

# Before the Appropriations Committee

# Re: Governor's 2014-15 Biennial Budget Proposal Concerning Education

February 21, 2013

Good evening Senator Harp, Representative Walker, and members of the Appropriations Committee. My name is Ray Rossomando, Research and Policy Development Specialist for the Connecticut Education Association. CEA represents 43,000 members who are active and retired teachers across the state.

I am testifying today on Governor Malloy's budget proposals affecting education. The Governor's bill implements changes to the ECS formula, transportation funding, and addresses other grants for education. It targets significant new spending on charter and magnet schools, practically doubling the state's commitment from \$218 million in 2010 to \$419 million in 2015. During the same five-year period, ECS funding to school districts will increase by a total of 8%.

#### **ECS**

We are pleased to see an increase in ECS funding overall, but believe that there is much more that can be done to accomplish the goals of funding local schools more reliably, predictably, suitably, and equitably. Furthermore, there has been a pattern of commingling other grants with ECS (such as charter school and PILOT grants) that is inconsistent with Horton vs. Meskill and should be reversed.

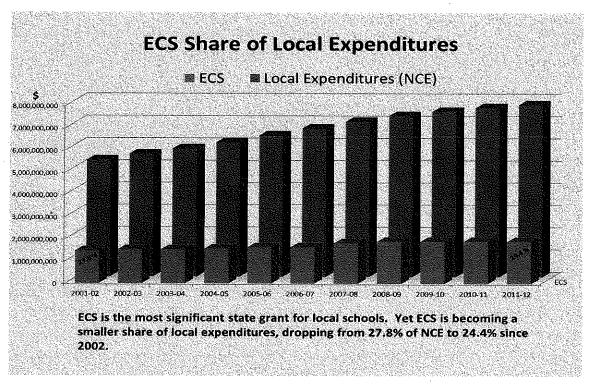
As a previous analysis by CEA showed, the persistent underfunding of the ECS formula has disproportionately impacted lower-wealth districts. This is particularly true when you compare the current distribution to a distribution more similar to that envisioned at the inception of the ECS formula years ago. Many advocates for public education have called for increased funding and

changes to the formula that would tilt the balance back to a more equitable distribution. And while there is more work to be done, the Governor's proposal does meet this goal, and for that we support the proposed changes.

As many know, the ECS formula is essentially a product of three core factors: student enrollment weighted for measures of student educational needs (e.g. "poverty"), the foundation cost of a suitable education, and a percentage of the foundation that accounts for each town's capacity to raise revenue from property wealth. While the details of some of these variables will be deliberated in the Education Committee, determining a reasonable foundation cost requires action by this committee.

We are pleased to see that the Governor has proposed that the foundation level increase to \$11,754. However, the foundation should be tied to the real costs to districts for providing a suitable education as those costs change with time.

Over the past 10 years, ECS funding has declined as a share of school districts' net current expenditures (see graph). At a time when wage growth has been rather stagnant, the costs of special education, health care, technology, and other expenses have not. ECS has simply not kept pace with the needs of school districts. From 2002 to 2012, ECS funding's share of net current expenditures has declined from 27.8% to 24.4%.



The Governor's proposed increases are a needed step in the right direction and will help reverse this trend. Updates to the ECS formula will benefit from the work of the recent task force, and we applied the Governor for including many of them in his budget.

But, as noted below, there are other parts of the budget that potentially offset this increase. The struggle for Connecticut to meet its constitutional obligation to provide a suitable educational opportunity to every child continues. And, we will not ensure reliability, predictability, suitability, and equity until Connecticut overhauls its fiscal infrastructure for funding its local schools.

### **Other Educational Grants**

We are pleased to see that the Governor's biennial budget proposes increases to ensure funds are targeted to schools, such as Network Schools, facing the greatest challenges.

A successful teacher evaluation and support system requires time for training, collaboration, observations, reflection, and targeted professional development. We are pleased to see funding allocated for the system changes enacted last year.

However, we are concerned that the Governor's biennial budget reduces some and eliminates other grants that are critical to closing achievement gaps. Among the Governor's proposed cuts are \$27.6 million in wrap-around services, school health coordination, after school programs, and the K-3 Reading Assessment Pilot. CEA has long maintained that the key to ensuring equal educational opportunity is ensuring children have access to services outside of the school day that help them address various health, well-being, and educational needs.

We urge this committee to restore funding to programs that address the daily needs of students and their access to health care services, community supports, and other "wrap-around" resources that support children's minds, bodies, and readiness for learning.

We also urge the committee to include task force recommendations that would result in fairer funding for agriscience programs. Vocational agriculture is the state's original choice program and has particular relevance in today's economy and the resurgence of locally grown products in Connecticut. The task force recommended increasing agriscience funding by \$3 million per year for four years to achieve greater parity with other schools of choice. In short, we should lift all boats equally.

### **Local Funding Available for Education and Other Services**

The Governor's proposal also includes many changes to municipal grants. Some of these changes are specifically education-related and are contained in the bill before you. The proposal to replace \$80 million a year in school transportation funds with a \$5 million competitive grant is one example. But more concerning is the totality of changes in municipal funding as they impact local schools.

The most significant change to local funding is not in the amount in statutory grants to cities and towns, but in the strings attached. Some funds formerly deposited into local general funds are now restricted by virtue of being converted to bond funds. Such funds, along with ECS and other statutory grants, are all in the same fiscal pot – the town budget. However, a smaller share of that pot would be discretionary.

As a result, we anticipate greater tension between boards of education and municipal leaders due to greater competition for increasingly limited resources. This could result in significant constraints on resources available to local authorities to fairly fund our schools.

For example, West Hartford currently gets about \$21 million in state aid. Under the governor's budget it gets the same amount as it did last year (no town receives less under the Governor's proposal). However, the mix of proposals from ECS and school transportation to PILOT and LoCIP (and other statutory grants) results in a nearly \$600,000 loss of discretionary funds. For West Hartford, this represents about 3% more of state aid being locked up in bonding compared with the prior year. A city like Bridgeport sees a 3.3% shift of discretionary funds to bonding. For Bridgeport it amounts to just under \$7 million. Stamford experiences a 7.8% shift to bonding.

We urge lawmakers to reject proposals that decrease resources available for critical municipal services, especially education.

Thank you.

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